

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2019/2020

BMK2164– CORPORATE SOCIAL RESPONSIBILITY

(All sections / Groups)

16 OCTOBER 2019

9.00 a.m – 11.00 a.m

(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of **TWO (2)** printed pages (excluding cover page) with a case study and **FOUR (4)** questions.
2. Answer **ALL** questions. All question carries equal marks.
3. Answer **ALL** questions in the answer booklet provided.
4. Marks allocations are shown at the end of each question.

CASE STUDY: ANSWER ALL QUESTIONS (100 MARKS)

Typically, when people think about sustainability in the realm of Corporate Social Responsibility (CSR), they think about the specific activities of companies, such as conservation of natural resources and the integration of alternative energy in buildings and factories.

Some companies, however, take sustainability a step further in their CSR efforts. Unilever, a British-Dutch multinational consumer goods company, focuses not only on the specific activities of their company, but also the supply chain that supports it, as well as the activities of its customers and consumers. This effort to go above and beyond the norm by making sustainable living commonplace is why Unilever is widely regarded as one of the few *truly* sustainable businesses in the world.

As one of the world's leading suppliers of fast-moving consumer goods with operations in over 100 countries and sales in 190, Unilever's sheer size enables it to make an enormous positive impact on both society and the environment. The company's groundbreaking, 10-year Sustainable Living Plan is perhaps its greatest CSR success so far and exemplifies how businesses can reduce environmental impact for the long-term and on a large-scale, while also maintaining sales growth.

The Sustainable Living Plan, which launched in 2010, includes three overarching goals which Unilever has pledged to achieve by the year 2020: **(1) improving the health and well-being of the company's customers and consumers, (2) reducing the company's overall environmental impact, and (3) enhancing the livelihoods of millions of people around the globe.** In addition to these three goals, the company hopes to double the size of its business.

Five years into the ambitious plan, Unilever is on track to meet most of its green goals and has made admirable progress in improving the livelihood, health, and well being of others. More than 55% of Unilever's agricultural raw materials are now sustainably sourced, which is more than halfway to the 2020 target of 100%. The company is also making significant reductions in CO2 from energy and water in manufacturing,

reducing them by 37% and 32% per ton of production respectively since 2008. Unilever has even achieved one its green goals ahead of schedule: zero non-hazardous waste to landfill. It has also managed to reach over 397 million people with programs on handwashing, safe drinking water, sanitation, oral health and self-esteem.

Also, the business case for Unilever's progress could not be clearer: the plan accounted for half of the company's growth in 2014 and grew at twice the rate of the rest of the business, according to the company's chief executive, Paul Polman.

In a world of growing the rising population, and increasing environmental challenges, the need for businesses to go above and beyond in CSR is evident, as are the benefits and opportunities. This calls for a transformational approach, like that of Unilever, to the way corporations think about sustainability.

QUESTIONS

- 1) Based on the CSR framework by Carroll 1979, explain the four types of responsibilities in the context of Unilever. (25 marks)
- 2) Identify and discuss with relevant reasoning the advantages for Integrating Sustainability Portfolio into The Unilever's Strategy. (25 marks)
- 3) From the information provided in the case, Unilever embarked on the green initiative. The primary rationale of this initiative is to look into continuously improve the quality of life of the population. Based on your knowledge, justify the reason Unilever embarked in this initiative. (25 marks)
- 4) Based on your understanding and experience, critically discuss the probable challenges faced by Unilever while attempting to integrate the sustainability portfolio into the corporate strategy. (25 marks)

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